



## **Staff Report**

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RESOLUTION AUTHORIZING AN AMENDMENT TO EXTEND ECONOMIC DEVELOPMENT ENHANCEMENT AGREEMENT WITH KEYSER MARSTON ASSOCIATES, INC. FOR AN AMOUNT NOT TO EXCEED \$45,000.

Honorable Chair and Board Members:

### **Summary**

Keyser Marston Associates, Inc. (KMA) provides consulting services to the Belmont Redevelopment Agency, assisting with the City's Economic Development Enhancement – Target Site Strategy. As outlined in the attached letter (Exhibit A), KMA is requesting an extension of its Economic Development Enhancement Agreement with the City in order to continue Phase 3 (Clarify Vision) and implement the City's Target Site Strategy as part of Phase 4 (Implement Vision). KMA is proposing to complete the required work tasks within six months of approval of the contract extension. Approval of the attached resolution will authorize an amendment to extend the original contract with KMA in an amount not to exceed \$45,000 for FY08.

### **Background**

KMA has assisted the Redevelopment Agency with the Economic Development Enhancement – Target Site Strategy since 2006, and has carried out its duties in a professional and timely manner. The Strategy consists of the following four phases: Phase 1 – Initiate Thoughts on Vision/Preliminary Feasibility Evaluation, Phase 2 – Understand Vision/Technical Assessment, Phase 3 – Clarify Vision/RFQ Preparation, and Phase 4 – Implement Vision/Developer(s) Selection and Negotiation. Phases 1 and 2 were completed in February and June of 2006, respectively.

In March 2007, the City initiated a contract with KMA in the amount of \$50,000, to commence Phase 3. The March 2007 contract directs KMA to complete the following Phase 3 tasks: Task 1 – Participate in eight meetings with property owners, stakeholders, developers, and other City departments, Task 2 – Draft solicitation packages for Firehouse Square, Village Center, Belmont Station, and Shoreway Place, and Task 3 – Assist with City and Redevelopment Agency discussions on Island Park.

Subsequent to the March 2007 contract approval, property owners of Shoreway Place, Firehouse Square, and Village Center expressed interest in working toward implementation of the

development vision for the target sites. As such, the Redevelopment Agency and KMA concurred that it would not be necessary to prepare an RFQ at this time, and identified several work tasks that would be more effective. KMA is proposing to merge Phase 3 and 4 work tasks to initiate the implementation process that was originally intended only for Phase 4. To continue progress on the Shoreway Place, Firehouse Square, and Village Center sites, KMA is proposing to undertake the following new work tasks as part of Phase 3:

1. Continue meeting with the three interested property owners to pursue the development of viable and mutually-approved development program for the site area. (However, we should also anticipate of reverting to a RFQ to solicit other development interest should any of the three owners decide against further active participation in the process);
2. Participate in tour of representative projects in the Bay Area with Council members and staff;
3. Update and refine the financial pro forma feasibility analysis prepared approximately 18 months ago) by KMA for the three site areas to reflect the selected development program(s) and current market conditions;
4. Assist Agency staff in the negotiation with the property owner at Firehouse Square on the purchase/sale of the city-owned alley and the desired easement rights;
5. Continue to provide input to the planning and zoning effort for the Downtown being done by the City's consultant, Dyett and Bhatia;
6. Meeting with FP, Redevelopment Agency staff, City representatives, and/or Council Land Use Subcommittee as needed (anticipate a total of up to 12 meetings).

### **Discussion**

In accepting KMA's proposal for additional economic development consulting services, staff gives significant weight to the value of retaining a skilled and responsible consultant, with a well-grounded depth of knowledge of their field of expertise and a history of successful results. In light of the significant progress that has been made on the Economic Development Enhancement – Target Site Strategy, and the professional working relationship that has developed between KMA and City and Redevelopment Agency staff, staff recommends extending KMA's contract as proposed, by an amount not to exceed \$45,000.

### **General Plan/Vision Statement**

Coordination is required to update the General Plan concurrent with the efforts performed in this stage of engagement.

### **Fiscal Impact**

The amendment to the Economic Development Enhancement Agreement with KMA authorizes KMA to complete the new work tasks of the Economic Development Enhancement – Target Site Strategy within six months from the City’s approval of this amendment (FY08). Since the inception of the Targeted Site Strategy, or January 2006, KMA has been compensated \$158,141.25.

KMA will perform the additional economic development consulting services for an amount not to exceed \$45,000. There are sufficient funds in RDA Capital Improvement Project 351-4610-9551-9030 to authorize the agreement amendment.

**Public Contact**

Posting of City Council agenda.

**Recommendation**

It is recommended that the Redevelopment Agency approve the attached resolution authorizing an amendment to extend the Economic Development Enhancement Agreement with KMA in an amount not to exceed \$45,000 in FY08.

**Alternatives**

1. Provide staff with alternative direction.
2. Take no action.

**Attachments**

- A. Implementing Resolution
- B. Letter from KMA (Exhibit A)

Respectfully submitted,

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Thomas Fil  
Finance Director

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Jack R. Crist  
Executive Director

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**REDEVELOPMENT AGENCY RESOLUTION NO.**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT  
AUTHORIZING AN AMENDMENT TO EXTEND ECONOMIC DEVELOPMENT  
ENHANCEMENT AGREEMENT WITH KEYSER MARSTON ASSOCIATES, INC. IN  
AN AMOUNT NOT TO EXCEED \$45,000 FOR FY08**

**WHEREAS**, the City of Belmont contracted with Keyser Marston Associates, Inc. (KMA) for economic development consulting services in 2006,

**WHEREAS**, KMA has performed such services in a competent and timely manner; and,

**WHEREAS**, staff recommends a contract extension with KMA to provide continuing economic development consulting services.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Belmont authorizes the City Manager to execute an agreement amendment for professional services, in a form approved by the City Attorney, engaging KMA to provide additional economic development consulting services at a fee not to exceed \$45,000 for FY08.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Redevelopment Agency of the City of Belmont at a regular meeting thereof held on October 9, 2007 by the following vote:

AYES, DIRECTORS: \_\_\_\_\_

NOES, DIRECTORS: \_\_\_\_\_

ABSTAIN, DIRECTORS: \_\_\_\_\_

ABSENT, DIRECTORS: \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Secretary, Redevelopment Agency

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Chair, Redevelopment Agency